

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2002-343

February 20, 2003

BANGOR HYDRO-ELECTRIC COMPANY
Request to Construct Transmission Line of
100 or More Kilovolts Between the Chester
Substation and the East Millinocket Substation

PROCEDURAL ORDER

A telephone conference was held on February 11, 2003 to discuss the further processing of this case now that Bangor Hydro-Electric Company (BHE) has received the Section 18.4 approval from ISO New England for its proposed transmission line. The parties and the Advisory Staff discussed the issues that need to be addressed for the case to be ready for Commission deliberations.

After the discussion, it was generally agreed that two issues, or categories of issues, should be examined. The first issue concerns the conditions that were imposed on the Section 18.4 approval. These conditions relate to extreme contingency effects and the 18.4 subordinate applicant policy. Counsel for BHE stated that BHE did not expect significant changes in the project or significant additional costs as a result of the conditions. More importantly, in counsel for BHE's view, additional costs would be the responsibility of Great Lakes Hydro America, LLC (GLHA). To the extent BHE could not recover the costs from GLHA, counsel stated that the costs would be borne by BHE's shareholder and not ratepayers. Accordingly, the first issue involves a closer examination of 18.4 conditions and the assurances that BHE ratepayers will be insulated from any costs related to the transmission line.

The second issue concerns the criteria that the Commission should consider in granting a certificate of public convenience and necessity to build a transmission line. Specifically, counsel for IECG and Georgia Pacific stated that he wanted the opportunity to submit evidence concerning the current circumstances surrounding the Great Northern Paper mills and the effect that BHE's proposed transmission line will have on the viability of the mills and the consequences to the ratepayers of BHE if the mills do not reopen.

The Examiner decided that the most efficient process would be to schedule a one-half day hearing on these two issues. After discussions with the parties during the telephone conference and in subsequent email communications, the Examiner establishes the following procedure:

Feb. 26 – Case management memoranda are due. Each party must identify each witness the party will call and provide a detailed statement of the facts and expert opinions that the witness will testify to. Each party must list the exhibits that the party will offer into evidence and a time estimate for each direct examination.

March 3 – Responsive case memoranda are due. Each party must identify the additional witnesses that the party will call, or the expanded testimony that an already-identified witness will provide, in response to the witnesses and testimony identified in the Feb. 26 case management memoranda. Again, the memoranda should include a detailed statement of the facts and expert opinions that the witness will testify to, as well as a list of exhibits and time estimates.

March 5 – Case management conference (at 3:00 p.m.)

March 25 – hearing (at 9:00 a.m.)

April 8 – briefs due

Dated at Augusta, Maine, this 20th day of February, 2003.

BY ORDER OF THE HEARING EXAMINER

James A. Buckley